

1 **CHAPTER 800. GENERAL ADMINISTRATION**

2  
3 **PROPOSED RULES WITH PREAMBLE TO BE SUBMITTED TO THE TEXAS**  
4 **REGISTER. THIS DOCUMENT WILL HAVE NO SUBSTANTIVE CHANGES BUT IS**  
5 **SUBJECT TO FORMATTING CHANGES AS REQUIRED BY THE TEXAS REGISTER.**

6  
7 **ON OCTOBER 6, 2020,** THE TEXAS WORKFORCE COMMISSION PROPOSED THE  
8 RULES BELOW WITH PREAMBLE TO BE SUBMITTED TO THE *TEXAS REGISTER*.

9  
10 Estimated Publication Date of the Proposal in the *Texas Register*: **October 23, 2020**  
11 Estimated End of Comment Period: **November 23, 2020**

12  
13 The Texas Workforce Commission (TWC) proposes the following new subchapter to Chapter  
14 800, relating to General Administration:

15       Subchapter L. Workforce Diploma Pilot Program, §§800.500 - 800.505

- 16  
17  
18 **PART I. PURPOSE, BACKGROUND, AND AUTHORITY**  
19 **PART II. EXPLANATION OF INDIVIDUAL PROVISIONS**  
20 **PART III. IMPACT STATEMENTS**  
21 **PART IV. COORDINATION ACTIVITIES**

22 **PART I. PURPOSE, BACKGROUND, AND AUTHORITY**

23 Senate Bill (SB) 1055, 86th Texas Legislature, Regular Session (2019), added new Chapter 317  
24 to the Texas Labor Code, requiring TWC, in consultation with the Texas Education Agency  
25 (TEA), to create and administer a Workforce Diploma Pilot Program (Program). As outlined in  
26 Texas Labor Code, Chapter 317, the Program will allow eligible high school diploma--granting  
27 entities to be reimbursed for helping adult students obtain high school diplomas and industry-  
28 recognized credentials and develop technical career-readiness and employability skills.

29  
30 SB 1055 stipulates that Texas Labor Code, Chapter 317 expires on September 1, 2025, and  
31 requires TWC to develop rules that:

- 32 --outline the application process to become a qualified provider;  
33 --define the minimum performance standards for qualified providers, which include a graduation  
34 rate of at least 50 percent and a program cost per graduate of \$7,000 or less for the previous  
35 calendar year; and  
36 --develop formulas to make the appropriate calculations to determine the graduation rate and  
37 program cost per graduate.

38  
39 SB 1055 includes the stipulation that TWC "is required to implement a provision of this Act only  
40 if the legislature appropriates money specifically for that purpose. If the legislature does not  
41 appropriate money specifically for that purpose, the Texas Workforce Commission may, but is  
42 not required to, implement a provision of this Act using other appropriations available for that  
43 purpose." TWC is developing rules to implement the Program upon allocation of funds for its  
44 implementation.

1 New Chapter 800, Subchapter L, Workforce Diploma Pilot Program, provides the rules for  
2 implementing new Texas Labor Code, Chapter 317, as added by SB 1055.

3  
4 On June 23, 2020, TWC's three-member Commission (Commission) approved a policy concept  
5 for the required rule development for the Program under Texas Labor Code, Chapter 317. The  
6 policy concept included rule language for the Commission's future consideration and was  
7 published in the July 3, 2020, issue of the *Texas Register* (45 TexReg 4574) for a 30-day public  
8 comment period. The comment period ended on August 3, 2020, and TWC did not receive any  
9 comments. The rule language provided in this proposal reflects the rule language included in the  
10 published policy concept, with a few minor changes.

## 11 **PART II. EXPLANATION OF INDIVIDUAL PROVISIONS**

12 (Note: Minor editorial changes are made that do not change the meaning of the rules and,  
13 therefore, are not discussed in the Explanation of Individual Provisions.)

### 14 **SUBCHAPTER L. WORKFORCE DIPLOMA PILOT PROGRAM**

#### 15 **TWC proposes new Subchapter L:**

##### 16 **§800.500. Purpose**

17 New §800.500 provides the purpose of the Program, which is to reimburse qualified providers  
18 that provide assistance to adult students to obtain high school diplomas and attain industry-  
19 recognized credentials and to develop technical career-readiness and employability skills, to the  
20 extent that funding is available for this purpose.

##### 21 **§800.501. Definitions**

22 New §800.501 provides the following definitions for Subchapter L:

23 --"Academic resiliency" is a student's ability to persist and academically succeed despite  
24 adversity.

25 --"Academic skill intake assessment" is a formal and/or informal assessment used at intake to  
26 gather information on a student's current knowledge and skills in specific academic areas (for  
27 example, literacy and numeracy). That information is then used to determine the student's  
28 appropriate instructional level as well as accommodations and/or remediation that the student  
29 needs.

30 --"Career Pathway" is a combination of rigorous and high-quality education, training, and other  
31 services that:

32 --aligns with the skill needs of industries in the economy of the state or regional economy  
33 involved;

34 --prepares an individual to be successful in any of a full range of secondary or postsecondary  
35 education options;

36 --includes counseling to help an individual achieve his or her education and career goals;

37 --includes, as appropriate, education offered concurrently with, and in the same context as,

38 workforce preparation activities and training for a specific occupation or occupational cluster;

1 --organizes education, training, and other services to meet the particular needs of an individual  
2 in a manner that accelerates his or her educational and career advancement to the extent  
3 practicable;  
4 --enables an individual to attain a secondary school diploma or its recognized equivalent, and  
5 at least one recognized postsecondary credential; and  
6 --helps an individual enter or advance within a specific occupation or occupational cluster (29  
7 USC §3102, Definitions).

8  
9 --"Eligible participant" is an individual who is over the age of compulsory school attendance  
10 prescribed by Texas Education Code, §25.085 and who, as required by TWC:

- 11 --is a Texas resident;
- 12 --lacks a high school diploma;
- 13 --is authorized to work in the United States; and
- 14 --is able to work immediately upon graduation from the Program.

15  
16 --"Employability skills certification program" refers to a certification in general skills that are  
17 necessary for success in the labor market at all employment levels and in all industry sectors.  
18 Employability skills include problem-solving, collaboration, organization, and adaptability.

19  
20 --"Half credit" is based on the Carnegie Unit, which refers to the standard award of credit given  
21 for a course that lasts one semester. When determining credits, qualified providers should  
22 consider instructional time plus the amount of time that the student would take to complete the  
23 coursework in a high school semester or academic year. In traditional education models, a  
24 student typically attends a class for 55 to 60 minutes a day for four or five days a week, in  
25 addition to studying independently.

26  
27 --"High school diploma" is a credential awarded by an entity based on completion of all state  
28 graduation requirements as outlined in Texas Education Code, §28.025 and §39.023 and 19  
29 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, and Chapter 101,  
30 Assessment.

31  
32 --"Industry-recognized credential" is a state-approved credential that verifies an individual's  
33 qualifications and competence and is issued by a third party with the relevant authority to issue  
34 such credentials (US Department of Labor, 2010). Industry-recognized credentials offered by  
35 qualified providers must align with TWC's mission to target high-growth, high-demand, and  
36 emerging occupations that are crucial to state and local workforce economies and must reflect  
37 the target occupations for the local workforce development areas (workforce areas) in which  
38 services will be provided. Qualified providers may also reference the list of industry-based  
39 certifications for public school accountability that TEA publishes.

40  
41 --"Learning Plan Development" is the process by which an individualized learning plan is  
42 developed after student intake; it is maintained through coaching and mentoring.

43  
44 --"One credit" is based on the Carnegie Unit, which refers to the standard award credit given for  
45 a course that lasts a full academic year. When determining credits, qualified providers should  
46 consider instructional time plus the amount of time that the student would take to complete the

1 coursework in a high school semester or academic year. In traditional education models, a  
2 student typically attends a class for 55 to 60 minutes a day for four or five days a week in  
3 addition to studying independently.

4  
5 --"Program" refers to the Workforce Diploma Pilot Program set forth in Texas Labor Code,  
6 Chapter 317.

7  
8 --"Qualified provider" that may participate in the Program and receive reimbursement is a  
9 provider that:

10 --is a public, nonprofit, or private entity that is:

11 --authorized under the Texas Education Code or other state law to grant a high school  
12 diploma, or

13 --accredited by a regional accrediting body, as established by the US Secretary of Education  
14 pursuant to 20 USCS §1099b, Recognition of Accrediting Agency or Association;

15 --has at least two years of experience providing dropout reengagement services to adult  
16 students, including recruitment, learning plan development, and proactive coaching and  
17 mentoring, leading to the obtainment of a high school diploma;

18 --is equipped to:

19 --provide:

20 --academic skill intake assessment and transcript evaluations;

21 --remediation coursework in literacy and numeracy;

22 --a research-validated academic resiliency assessment and intervention;

23 --employability skills development aligned to employer needs;

24 --career pathways coursework;

25 --preparation for the attainment of industry-recognized credentials; and

26 --career placement services; and

27 --develop a learning plan that integrates academic requirements and career goals; and

28 --offers a course catalog that includes all courses necessary to meet high school graduation  
29 requirements in Texas, as authorized under 19 TAC Chapter 74, Subchapter B, Graduation  
30 Requirements.

31  
32 --"Regional accrediting body" must meet the criteria established by the US Secretary of  
33 Education pursuant to 20 USCS §1099b, Recognition of Accrediting Agency or Association, and  
34 appear on the US Secretary of Education's list of federally recognized accrediting agencies in the  
35 *Federal Register* as stated in 34 CFR §602.2. A copy of the list may be obtained from the US  
36 Department of Education.

37  
38 **§800.502. Request for Qualifications and List of Qualified Providers**

39 New §800.502 describes the Program's Request for Qualifications (RFQ) provisions, as outlined  
40 in Texas Labor Code, Chapter 317, to the extent that TWC funding is available.

41  
42 Texas Labor Code, Chapter 317 requires TWC to publish an RFQ no later than October 15th of  
43 each year to identify Program providers. New §800.502 outlines the application process for  
44 qualified providers as follows:  
45

1 TWC will identify qualified providers to participate in the Program through a statewide RFQ  
2 process conducted in accordance with state requirements.

3  
4 Potential providers will apply directly to TWC using the RFQ process, and, once identified as a  
5 qualified provider, must meet all deadlines, requirements, and guidelines set forth in the  
6 published RFQ.

7  
8 TWC will publish a list of qualified providers by November 15th of each year to participate in  
9 the Program the next calendar year.

10  
11 Each provider on the qualified provider list will be eligible to receive monthly reimbursements  
12 for this Program based on monthly invoices submitted to TWC, as prescribed in the RFQ's terms.

13  
14 Each year, TWC will review and update the list of qualified providers. Qualified providers that  
15 do not meet the minimum performance standards outlined in §800.503 will be placed on  
16 probation for the remainder of the calendar year. Failure to meet both minimum performance  
17 standards for two consecutive years will result in disqualification from the Program.

18  
19 TWC's determinations in the RFQ process will be based on the affirmation of the qualified  
20 provider to effectively perform all services and activities outlined in Texas Labor Code, Chapter  
21 317.

### 22 23 **§800.503. Minimum Performance Standards**

24 As required by Texas Labor Code, Chapter 317, new §800.503 describes the minimum  
25 performance standards needed for qualified providers to remain on the qualified provider list.

26  
27 New §800.503(a) states that the minimum performance standards for the calendar year must  
28 include a:

- 29 --graduation rate of at least 50 percent; and  
30 --program cost per graduate of \$7,000 or less.

31  
32 New §800.503(b) provides the requirements for TWC actions if a qualified provider fails to  
33 maintain minimum performance standards. Section 800.503(b) requires TWC to annually review  
34 data from each participating provider to ensure that the services offered by the provider are  
35 meeting the minimum performance standards. If TWC determines that a provider did not meet  
36 the minimum performance standards in the previous calendar year, TWC shall place the provider  
37 on probationary status for the remainder of the current calendar year.

38  
39 New §800.503(c) requires TWC to remove any provider that does not meet the minimum  
40 performance standards for two consecutive calendar years from the published provider list, as  
41 authorized by Texas Labor Code, §317.005.

### 42 43 **§800.504. Graduation Rate and Graduate Cost Formulas**

44 As required by Texas Labor Code, Chapter 317, new §800.504(a) and (b) describe the formulas  
45 for calculating the graduation rate and Program cost per graduate.

1 Graduation rate is defined as and determined by dividing the number of students who received a  
2 high school diploma from the qualified provider by the number of students for whom the  
3 qualified provider sought and received reimbursements.

4 New §800.504(b) provides the Program cost per graduate formula as the product of the number  
5 of students who received a high school diploma during the previous calendar year multiplied by  
6 \$7,000; that product may not exceed the total annual cost (reimbursements paid) to the qualified  
7 provider for the total number of services provided.

8

9 **§800.505. Reimbursement Rates**

10 New §800.505 provides the reimbursement amounts that a qualified provider may receive (to the  
11 extent that funding is available). Pursuant to Texas Labor Code, §317.006, those reimbursement  
12 rates will be as follows:

13

14 --\$250 for completion of a half credit

15 --\$250 for completion of an employability skills certification program equal to at least one credit  
16 or the equivalent

17 --\$250 for the attainment of an industry-recognized credential requiring not more than 50 hours  
18 of training

19 --\$500 for the attainment of an industry-recognized credential requiring at least 50 but not more  
20 than 100 hours of training

21 --\$750 for the attainment of an industry-recognized credential requiring more than 100 hours of  
22 training

23 --\$1,000 for the obtainment of a high school diploma

24

25 Additionally, §800.505 clarifies that a provider may not be reimbursed twice for one attainment  
26 of an industry-recognized credential.

27

28 **PART III. IMPACT STATEMENTS**

29 Chris Nelson, Chief Financial Officer, has determined that for each year of the first five years the  
30 rules will be in effect, the following statements will apply:

31

32 There are no additional estimated costs to the state and to local governments expected as a result  
33 of enforcing or administering the rules.

34

35 There are no estimated cost reductions to the state and to local governments as a result of  
36 enforcing or administering the rules.

37

38 There are no estimated losses or increases in revenue to the state or to local governments as a  
39 result of enforcing or administering the rules.

40

41 There are no foreseeable implications relating to costs or revenue of the state or local  
42 governments as a result of enforcing or administering the rules.

43

44 There are no anticipated economic costs to individuals required to comply with the rules.

45

1 There is no anticipated adverse economic impact on small businesses, microbusinesses, or rural  
2 communities as a result of enforcing or administering the rules.

3  
4 Based on the analyses required by Texas Government Code, §2001.024, TWC has determined  
5 that the requirement to repeal or amend a rule, as required by Texas Government Code,  
6 §2001.0045, does not apply to this rulemaking.

### 7 8 Takings Impact Assessment

9 Under Texas Government Code, §2007.002(5), "taking" means a governmental action that  
10 affects private real property, in whole or in part or temporarily or permanently, in a manner that  
11 requires the governmental entity to compensate the private real property owner as provided by  
12 the Fifth and Fourteenth Amendments to the US Constitution or the Texas Constitution, §17 or  
13 §19, Article I, or restricts or limits the owner's right to the property that would otherwise exist in  
14 the absence of the governmental action, and is the producing cause of a reduction of at least 25  
15 percent in the market value of the affected private real property, determined by comparing the  
16 market value of the property as if the governmental action is not in effect and the market value of  
17 the property determined as if the governmental action is in effect. The Commission completed a  
18 Takings Impact Analysis for the proposed rulemaking action under Texas Government Code,  
19 §2007.043. The primary purpose of this proposed rulemaking action, as discussed elsewhere in  
20 this preamble, is to outline requirements of the Program under Texas Labor Code, Chapter 317  
21 and

22 --outline the application process to become a qualified provider;  
23 --describe the minimum performance standards for qualified providers, which include a  
24 graduation rate of at least 50 percent and a Program cost per graduate of \$7,000 or less for the  
25 previous calendar year; and  
26 --develop formulas to make the appropriate calculations to determine graduation rate and  
27 program cost per graduate.

28  
29 The proposed rulemaking action will not create any additional burden on private real property or  
30 affect private real property in a manner that would require compensation to private real property  
31 owners under the US Constitution or the Texas Constitution. The proposal also will not affect  
32 private real property in a manner that restricts or limits an owner's right to the property that  
33 would otherwise exist in the absence of the governmental action. Therefore, the proposed  
34 rulemaking will not cause a taking under Texas Government Code, Chapter 2007.

### 35 36 Government Growth Impact Statement

37 TWC has determined that during the first five years the rules will be in effect:

38 --the rules will not create or eliminate a government program;  
39 --implementation of the rules will not require the creation or elimination of employee positions;  
40 --implementation of the rules will not require an increase or decrease in future legislative  
41 appropriations to TWC;  
42 --the rules will not require an increase or decrease in fees paid to TWC;  
43 --the rules will not create a new regulation;  
44 --the rules will not expand, limit, or eliminate an existing regulation;  
45 --the rules will not change the number of individuals subject to the rules; and  
46 --the rules will not positively or adversely affect the state's economy.

1  
2 Economic Impact Statement and Regulatory Flexibility Analysis

3 TWC has determined that the proposed rules will not have an adverse economic impact on small  
4 businesses or rural communities, as the proposed rules place no requirements on small businesses  
5 or rural communities.

6  
7 Mariana Vega, Director, Labor Market and Career Information, has determined that there is no  
8 significant negative impact upon employment conditions in the state as a result of the rules.

9  
10 Courtney Arbour, Director, Workforce Development Division, has determined that for each year  
11 of the first five years the rules are in effect, the public benefit anticipated as a result of enforcing  
12 the proposed rules will be to provide guidance on implementing a Workforce Diploma Pilot  
13 Program in Texas.

14  
15 TWC hereby certifies that the proposal has been reviewed by legal counsel and found to be  
16 within TWC's legal authority to adopt.

17  
18 **PART IV. COORDINATION ACTIVITIES**

19 In the development of these rules for publication and public comment, TWC sought the  
20 involvement of Texas' 28 Local Workforce Development Boards (Boards). TWC provided the  
21 policy concept for the new rules to the Boards for consideration and review on June 23, 2020.  
22 TWC also conducted a conference call with Board executive directors and Board staff on June  
23 26, 2020, and then on July 2, 2020, with AEL grant recipients to discuss the Policy Concept and  
24 comment period.

25  
26 The policy concept was published in the *Texas Register* for a 30-day comment period that ended  
27 on August 3, 2020. During the proposed rulemaking process, TWC considered all information  
28 gathered in order to develop rules that provide clear and concise direction to all parties involved.

29  
30 Comments on the proposed rules may be submitted to [TWCPolicyComments@twc.state.tx.us](mailto:TWCPolicyComments@twc.state.tx.us).  
31 Comments must be received no later than 30 days from the date this proposal is published in the  
32 *Texas Register*.

33  
34 The rules are proposed under Texas Labor Code, §301.0015 and §302.002(d), which provide  
35 TWC with the authority to adopt, amend, or repeal such rules as it deems necessary for the  
36 effective administration of TWC services and activities.

37  
38 The proposed rules implement the requirements of Texas Labor Code, Chapter 317.  
39



1  
2  
3 **CHAPTER 800. GENERAL ADMINISTRATION**

4 **SUBCHAPTER L. WORKFORCE DIPLOMA PILOT PROGRAM**

5 **§800.500. Purpose.**

6  
7 The purpose of the Workforce Diploma Pilot Program is to reimburse qualified providers  
8 that provide assistance to adult students to obtain high school diplomas and attain  
9 industry-recognized credentials and to develop technical career readiness and  
10 employability skills to the extent that funding is available for this purpose.

11  
12 **§800.501. Definitions.**

13  
14 The following words and terms, when used in this subchapter, shall have the following  
15 meanings, unless the context clearly indicates otherwise.

- 16  
17 (1) Academic resiliency--A student's ability to persist and to academically succeed  
18 despite adversity.
- 19  
20 (2) Academic skill intake assessment--A formal and/or informal assessment used at  
21 intake to gather information on a student's current knowledge and skills in  
22 specific academic areas (for example, literacy and numeracy). That information  
23 is then used to determine the student's appropriate instructional level as well as  
24 accommodations and/or remediation that the student needs.
- 25  
26 (3) Career Pathway--A combination of rigorous and high-quality education,  
27 training, and other services that:
- 28  
29 (A) aligns with the skill needs of industries in the economy of the state or  
30 regional economy involved;
- 31  
32 (B) prepares an individual to be successful in any of a full range of secondary  
33 or postsecondary education options;
- 34  
35 (C) includes counseling to support an individual in achieving the individual's  
36 education and career goals;
- 37  
38 (D) includes, as appropriate, education offered concurrently with, and in the  
39 same context as, workforce preparation activities and training for a  
40 specific occupation or occupational cluster;
- 41  
42 (E) organizes education, training, and other services to meet the particular  
43 needs of an individual in a manner that accelerates the educational and  
44 career advancement of the individual to the extent practicable;  
45

1                   (F) enables an individual to attain a secondary school diploma or its  
2                   recognized equivalent, and at least one recognized postsecondary  
3                   credential; and

4  
5                   (G) helps an individual enter or advance within a specific occupation or  
6                   occupational cluster (29 USC §3102, Definitions).

7  
8                   (4) Eligible participant--An individual who is over the age of compulsory school  
9                   attendance, as prescribed by Texas Education Code, §25.085, and as required by  
10                   the Agency, must:

11  
12                   (A) be a Texas resident;

13  
14                   (B) lack a high school diploma;

15  
16                   (C) be authorized to work in the United States; and

17  
18                   (D) be able to work immediately upon graduation from the program.

19  
20                   (5) Employability skills certification program--Refers to a certification in general  
21                   skills that are necessary for success in the labor market at all employment levels  
22                   and in all industry sectors. Employability skills include problem-solving,  
23                   collaboration, organization, and adaptability.

24  
25                   (6) Half credit--The standard award of credit given for a course that lasts one  
26                   semester, and which is based on the Carnegie Unit. When determining credits,  
27                   qualified providers should consider instructional time plus the amount of time  
28                   that the student would take to complete the coursework in a high school  
29                   semester or academic year. In traditional education models, a student typically  
30                   attends a class for 55 to 60 minutes a day for four or five days a week in  
31                   addition to studying independently.

32  
33                   (7) High school diploma--A credential awarded by an entity, based on completion  
34                   of all state graduation requirements as outlined in Texas Education Code,  
35                   §28.025 and §39.023 and 19 TAC Chapter 74 (relating to Curriculum  
36                   Requirements) and Chapter 101 (relating to Assessment).

37  
38                   (8) Industry-recognized credential--A state-approved credential verifying an  
39                   individual's qualifications and competence and is issued by a third party with  
40                   the relevant authority to issue such credentials (US Department of Labor, 2010).  
41                   Industry-recognized credentials offered by qualified providers must align with  
42                   the Agency's mission to target high-growth, high-demand, and emerging  
43                   occupations that are crucial to the state and local workforce economies, and  
44                   must reflect the target occupations for the workforce areas in which services  
45                   will be provided. Qualified providers may also reference the list of industry-

1 based certifications for public school accountability published by the Texas  
2 Education Agency.

3  
4 (9) Learning Plan Development--The process by which an individualized learning  
5 plan is developed after student intake; it is maintained through coaching and  
6 mentoring.

7  
8 (10) One credit--The standard award credit given for a course that lasts a full  
9 academic year, and which is based on the Carnegie Unit. When determining  
10 credits, qualified providers should consider instructional time plus the amount  
11 of time that the student would take to complete the coursework in a high school  
12 semester or academic year. In traditional education models, a student typically  
13 attends a class for 55 to 60 minutes a day for four or five days a week, in  
14 addition to studying independently.

15  
16 (11) Program--Refers to the Workforce Diploma Pilot Program, set forth in Texas  
17 Labor Code, Chapter 317.

18  
19 (12) Qualified provider--A provider that may participate in the Program and receive  
20 reimbursement and that:

21  
22 (A) is a public, nonprofit, or private entity that is:

23  
24 (i) authorized under the Texas Education Code or other state law to  
25 grant a high school diploma; or

26  
27 (ii) accredited by a regional accrediting body, as established by the US  
28 Secretary of Education, pursuant to 20 USCS §1099b, Recognition  
29 of Accrediting Agency or Association;

30  
31 (B) has at least two years of experience providing dropout reengagement  
32 services to adult students, including recruitment, learning plan  
33 development, and proactive coaching and mentoring, leading to the  
34 obtainment of a high school diploma;

35  
36 (C) is equipped to:

37  
38 (i) provide:

39  
40 (I) academic skill intake assessment and transcript evaluations;

41  
42 (II) remediation coursework in literacy and numeracy;

43  
44 (III) a research-validated academic resiliency assessment and  
45 intervention;

46

1 (IV) employability skills development aligned to employer needs;

2  
3 (V) career pathways coursework;

4  
5 (VI) preparation for the attainment of industry-recognized  
6 credentials; and

7  
8 (VII) career placement services; and

9  
10 (ii) develop a learning plan that integrates academic requirements and  
11 career goals; and

12  
13 (D) offers a course catalog that includes all courses necessary to meet high  
14 school graduation requirements in Texas, as authorized under 19 TAC  
15 Chapter 74, Subchapter B (relating to Graduation Requirements).

16  
17 (13) Regional accrediting body--Must meet the criteria established by the US  
18 Secretary of Education pursuant to 20 USCS §1099b, Recognition of  
19 Accrediting Agency or Association, and appear on the US Secretary of  
20 Education's list of federally recognized accrediting agencies in the *Federal*  
21 *Register*, as stated in 34 CFR §602.2. A copy of the list may be obtained from  
22 the US Department of Education.

23  
24 **§800.502. Request for Qualifications and List of Qualified Providers.**

25  
26 (a) The Agency will identify qualified providers to participate in the Program through a  
27 statewide Request for Qualifications (RFQ) process conducted in accordance with  
28 state requirements. The Agency will publish an RFQ no later than October 15th of  
29 each year to identify Program providers.

30  
31 (b) Potential providers will apply directly to the Agency using the RFQ process, and,  
32 once identified as a qualified provider, must meet all deadlines, requirements, and  
33 guidelines set forth in the published RFQ.

34  
35 (c) The Agency will publish a list of qualified providers no later than November 15th of  
36 each year to participate in the Program the next calendar year.

37  
38 (d) Each provider on the qualified provider list will be eligible to receive monthly  
39 reimbursements for this Program based on monthly invoices submitted to the  
40 Agency, as prescribed in the RFQ's terms.

41  
42 (e) Each year, the Agency shall review and update the list of qualified providers.  
43 Qualified providers that do not meet the minimum performance standards outlined in  
44 §800.503 of this subchapter will be placed on probation for the remainder of the  
45 calendar year. Failure to meet both minimum performance standards for two  
46 consecutive years will result in disqualification from the Program.

1  
2 (f) The Agency's determinations in the RFQ process will be based on the affirmation of  
3 the qualified provider to effectively perform all services and activities outlined in  
4 Texas Labor Code, Chapter 317.  
5

6 **§800.503. Minimum Performance Standards.**  
7

8 (a) The minimum performance standards for the calendar year must include:  
9

10 (1) a graduation rate, as defined in §800.504(a) of this subchapter, of at least 50  
11 percent; and  
12

13 (2) a program cost per graduate of \$7,000 or less, as calculated pursuant to  
14 §800.504(b) of this subchapter.  
15

16 (b) Each year, the Agency shall review data from each participating provider to ensure  
17 that the services offered by the provider are meeting the minimum performance  
18 standards. If the Agency determines that a provider did not meet the minimum  
19 performance standards in the previous calendar year, the Agency shall place the  
20 provider on probationary status for the remainder of the current calendar year.  
21

22 (c) The Agency shall remove any provider that does not meet the minimum performance  
23 standards for two consecutive calendar years from the provider list published under  
24 Texas Labor Code, §317.005.  
25

26 **§800.504. Graduation Rate and Graduate Cost Formulas.**  
27

28 (a) Graduation rate is defined as and determined by dividing the number of students who  
29 received a high school diploma from the qualified provider by the number of students  
30 for which the qualified provider sought and received reimbursements.  
31

32 (b) The Program cost per graduate formula is determined as the product of the number of  
33 students who received a high school diploma the previous calendar year multiplied by  
34 \$7,000; the product may not exceed the total annual cost (reimbursements paid) to the  
35 qualified provider for the total number of services provided.  
36

37 **§800.505. Reimbursement Rates.**  
38

39 (a) The reimbursement amounts that a qualified provider may receive, to the extent that  
40 funding is available, shall be as follows:  
41

42 (1) \$250 for completion of a half credit;  
43

44 (2) \$250 for completion of an employability skills certification program equal to at  
45 least one credit or the equivalent;  
46

- 1                   (3) \$250 for the attainment of an industry-recognized credential requiring not more  
2                   than 50 hours of training;  
3  
4                   (4) \$500 for the attainment of an industry-recognized credential requiring at least  
5                   50 but not more than 100 hours of training;  
6  
7                   (5) \$750 for the attainment of an industry-recognized credential requiring more  
8                   than 100 hours of training; and  
9  
10                  (6) \$1,000 for the obtainment of a high school diploma.  
11                 (b) A provider shall not be reimbursed more than one time for one attainment of an  
12                 industry-recognized credential.  
13